major communication initiatives were carried out in key overseas markets, participated in overseas trade fairs, organized buyer-seller meets ana cupping sessions, organized annual cupping competition - 'Flavour of India'

Further, in order to make Indian Coffee exports more competitive, the Government of India has abolished the cess on coffee produced and exported from India. Import duty on various items of machinery for enhancing the export of value added coffee has been reduced to an all-inclusive rate of 5% upto May 2006.

(f) There are no export sectors existing in the country.

Indo-Pak Trade

188. SHRI DARA SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and Pakistan have decided to sort out outstanding trade related issues;

(b) if so, the details thereof and the agreement reached between the two countries;

(c) whether Pakistan has decided to import tea and garments from India;

(d) whether Pakistan has agreed to extend South Asia Free Trade agreements (SAFTA) to become operative from July, 2006; and

(e) if so, what is the quantum of trade between India and Pakistan at present and the extent to which it will be improved further?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) Yes Sir. India and Pakistan are in discussions including within the framework of Composite Dialogue to address all issues conceming bilateral trade.

(c) At present the imports into Pakistan from India are restricted to the items in their Positive List. In the present list of 773 items, tea is included and the garments not included. During the 3rd round of India-Pakistan trade talks within the framework of Composite Dialogue held in

March 2006, both sides decided to encourage delegations of importers and exporters of tea to visit respective countries.

(d) The agreement on South Asian Free Trade Area (SAFTA), after ratiftaction by all member states, including Pakistan, came into force from 1st January 2006 and its phased Tariff Liberalization Programme (TLP) has been effected from 1st July 2006. Pakistan has also issued notification to give effect to the TLP of SAFTA.

(e) During April 2005 to March 2006, the volume of bilateral trade was valued at US$ 859.33 million as compared to US $ 616.02 million during the same period in 2004-2005 registering an increase of 39.50%. It is expected that the volume of bilateral trade will increase further.

Export of herbal/medicinal plants

189. SHRI M.A.M. RAMASWAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India has been exporting herbal/medicinal plants;

(b) if so, the total value of medicinal plants exported during the last three years;

(c) whether Government propose to export the finished products only not plants;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) Yes Sir, India has been exporting herbal/medicinal plants. The export values of crude drugs (excluding herbal extracts) for the last three years are as follows:

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2003-04	Rs. 253.08 crores
2004-05	Rs. 227.45 crores
2005-06 (upto Dec. 2005)	Rs. 207.35 crores

(c) to (e) No Sir, according to the current Foreign Trade Policy, export of several medicinal plants and finished products are permitted. However, the Government encourages export of value added herbal products because